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EC Debate on Spain

The Spanish question provoked a "heated" four hour debate at last Monday's EC foreign ministers' council. France, Ireland, Belgium, and to a lesser extent West Germany and Italy felt that acceptance of the Commission's recommendation to suspend EC relations with Spain, along with the recall of most EC member state ambassadors, was an adequate reaction to the recent executions. The Dutch and the Danes, on the other hand, urged the Council to adopt a strong statement reiterating the community's concern.

The Council finally issued two statements. One recalled the EC efforts to prevent the executions and concluded with the hope "that a democratic Spain will be able to find her place in the concert of European nations." The second statement dealt with EC-Spain trade negotiations--stalled for the past year--and said only that the talks cannot be resumed "at present". Meanwhile the trade agreement with the original six EC members remains in force for another year.

The French, Belgian, West German and Italian ambassadors are likely to return to Madrid within a week or two but the Dutch and the Dane will not be returned for an indefinite period of time. British Foreign Secretary Callaghan was noncommittal on plans for the British emissary; Dublin's representative was not recalled from Madrid.

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Portuguese Constituent Assembly Sets Groundrules
to Curb Communist Control of Labor

The Socialist-dominated constituent assembly has approved draft articles for the new constitution that could cut the ground out from under the Communist-controlled labor confederation.

Last week the assembly, which is dominated by the more moderate elements in the Portuguese political spectrum, agreed on language pertaining to the formation of trade unions. The constitutional provisions will supercede the decree-law pushed through by the Communists last spring that now limits unions to joining a single confederation. The articles provide for:

- The free formation of labor organizations at all levels.
- The right to affiliate with international labor organizations.
- Secret ballot elections for union leadership.

Under these articles, the Socialists--who have banded together with far-leftist parties to win a recent union election--will be able to form a rival confederation to the Communists' Intersindical. If the constitution is approved in this form it will make an important contribution to the reversal of the Communists' domination of labor. Last July the Communists managed to get their representatives elected to top positions for three year terms at the confederation's congress.

In addition, the anti-Communists have taken advantage of the Armed Forces Movement's infatuation with "popular organizations" to form workers' commissions,

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which also present an alternative to Communist-controlled unions. The commissions are provided for in the new constitution so that workers can "defend their interests." The distinction between unions and workers' commissions is subtle; the commissions supposedly strive for the best possible solutions in keeping with the company's overall interests while unions are expected to demand more benefits for workers without considering the company's position.

Assembly debate on the sanctioning of workers' commissions has led both anti-Communist and Communist forces to wrestle for control of the commissions by uniting them under a national organization. The Communists announced the formation of a national secretariat of workers' commissions in mid-September in an effort to beat the Socialists to the punch. Their organizational meeting produced little more than rhetoric and has been overshadowed by the secretariat formed a week later by Socialists and far-leftists. The anti-Communists are supported by 93 existing commissions while the Communists claimed only about forty.

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West Germany's African Policy Suffers a Blow

The Schmidt government's efforts to improve relations with Black African states received a setback when it was disclosed recently that a Bundeswehr general made an unauthorized visit to Pretoria last year. Bonn has been trying to create the impression that it is distancing itself from the Republic of South Africa.

Last week, Defense Minister Leber accepted the resignation of Lieutenant General Rall who had visited South Africa as an official guest. The details first surfaced in the magazine Stern, surprising government officials who apparently assumed that the trip was private. Rall's tour of South Africa's atomic energy facilities added to Bonn's embarrassment by strengthening Black African suspicions that the two countries are collaborating in the nuclear field.

The revelation left Leber with no alternative but to demand Rall's resignation. Leber has been severely criticized by his colleagues in the Social Democratic Party for allowing the Bundeswehr's highest-ranking officer to attend a military parade in Madrid commemorating Franco's victory and for permitting a Chilean military officer to attend a training school in the Federal Republic. The official pressure on Rall to resign will not allay doubts among Social Democrats and many German voters that Leber lacks a necessary degree of political acumen.

Meanwhile, officials in Bonn have denied any cooperation with Pretoria in the nuclear field and announced plans to reduce purchases of natural uranium from South Africa, which now supplies

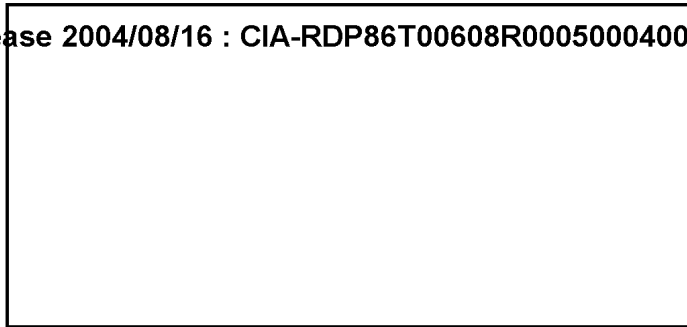
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about 40 percent of the Federal Republic's requirements. They do not rule out contacts between private companies and South Africa, but have stressed that any transfer of sensitive nuclear-related technology or equipment will require export licenses. So far the government has not received any applications for such licenses.

Two West German firms are presently involved in nuclear-related matters with the South Africans. Representatives of Steinkohlen-Elektrizität AG, in which the government is a minority shareholder, may still have contacts with South Africans following a comparative study of their uranium enrichment technologies. West German officials have also confirmed that Kraftwerk Union remains in contention for a \$700 million contract with Pretoria for the construction of a nuclear power plant.

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West German Defense Minister to Visit Portugal

The West German government probably intends Defense Minister Georg Leber's three-day visit to Portugal this week as a gesture of support for the Azevedo government.

Leber was invited by President Costa Gomes some time ago, but said that he could not accept until the political situation in Portugal stabilized. Although the Germans do not consider this accomplished, they may have concluded that an overt show of support at this time might help the anti-Communist forces.

Leber is scheduled to meet with Costa Gomes, Azevedo, Foreign Minister Antunes, and other members of the Armed Forces Movement and the political parties.

High on the list of bilateral matters is the question of the German air base at Beja. The agreement giving the West Germans use of the facility does not expire until 1978, but a joint working group is to meet in Bonn later this month to discuss its future.

The West German air force makes little use of Beja, and probably would like to pull out, but for political reasons Bonn wants to maintain a presence there. Bonn is concerned, however, about the disruptive political activity of the Portuguese military forces on their part of the base, and probably hopes to receive assurances that Lisbon will control them.

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Leber is the first cabinet-rank West German to pay an official visit to Portugal since the April 1974 coup, although many West German politicians and parliamentarians have paid informal visits. Bonn has encouraged Portuguese officials to travel to the Federal Republic

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